

Wayne Allard

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ALLARD INTRODUCES AMERICAN DREAM DOWNPAYMENT LEGISLATION BILL WOULD HELP THOUSANDS ACHIEVE HOMEOWNERSHIP

Washington, D.C. – U.S. Senator Wayne Allard (R-CO), Ranking Member of the Senate Housing and Transportation Subcommittee, has introduced legislation to assist tens of thousands of Americans achieve the dream of home ownership. The legislation, the American Dream Downpayment Act, has received the endorsement of HUD Secretary Mel Martinez, the National Association of Realtors, America's Community Bankers, the Mortgage Bankers of America, Fannie Mae, Freddie Mac and the National Association of Homebuilders.

"This legislation will literally allow tens of thousands of Americans to achieve the dream of homeownership," said Allard. "For many families, the biggest barrier to homeownership is their inability to afford the downpayment and closing costs on a house. This legislation will provide more than \$200 million in grants to more than 40,000 low income families annually to help them achieve the American dream of homeownership."

Allard's legislation would create a special fund, The American Dream Downpayment Fund, which would be administered as part of HUD's existing HOME Investment Partnerships Program (HOME). The fund would distribute \$200 million in funds annually to more than 400 state and local governments to assist first time home buyers with downpayment and closing costs. To participate in the program, recipients annual income could not exceed 80% of the area median income. The program has been funded in President Bush's FY03 budget.

"As we celebrate National Homeownership Month, I want to emphasize the power of homeownership to transform individual lives and strengthen entire communities," said HUD Secretary Mel Martinez. "Increasing home ownership, particularly among minorities, is a top priority for President Bush. The \$200 million for the American Dream Downpayment Fund, proposed by the Administration, will help make that dream come true for more American families."

The bill has been assigned to the Senate Banking and Urban Affairs Committee.